GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

STARRED QUESTION NO:124
ANSWERED ON:01.08.2006
FOREX EARNINGS BY SMALL SCALE INDUSTRIES
Reddy Shri Karunakara G.

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a): the number of small scale industries functioning at present in the country, State-wise and Industry-wise;

(b): the details of the foreign exchange earned by each of these industries during the last three years, year-wise; and

(c): the steps being taken during the current year by the Union Government to boost the small scale industries particularly exporting SSI Units?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a)to(c): A statement is placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) IN RESPECT OF LOK SABHA STARRED QUESTION NO. 124 FOR ANWER ON 1st AUGUST, 2006

(a): The total number of small scale industries (both registered and unregistered) functioning at the end of March, 2006 in the country is provisionally estimated to be 123.42 lakh. The State- wise and industry-wise details are given in enclosed Annexure I and Annexure II respectively.

(b): Based on the information received from various export promotion councils, the estimated value of exports made by the exporting small scale units during 2002-03, 2003-04 and 2004-05 (latest available) is given below:

Item/Year	2002-03	2003-04	2004-05
Export from SSi units	86013	97644	124417

The details of board industry-wise exports of SSI units during the last three years are given in enclosed Annexure III.

(c): The State Governments and the Union Territory Administrations are primarily responsible for the promotion and development of small scale industries. However, several policy decisions have been taken and a number of schemes/programmes are implemented by the Central Government for the development and promotion of small scale industries, including the exporting small scale units. These include, inter alia

(i) facilitating availability of credit mainly through public sector banks/financial institutions and

(ii) assistance for technology upgradation, obtaining ISO 9000/14001 certification, marketing, integrated infrastructural development and entrepreneurship development. These schemes/programmes continue in the current year also.

In addition, the following initiatives have been taken to promote exports from the SSI Sector :

(i) On 10th August, 2005 the Government announced a policy package for stepping up credit flow to the Small and Medium Enterprises (SMEs) so is to double the availability of credit to the sector in the next five years.

(ii) In September, 2005, the loan ceiling under the Credit Linked Capital Subsidy Scheme has been raised from Rs. 40 lakh to Rs. 100 lakh and the subsidy from 12 per cent to 15 per cent to make the Scheme more attractive.

(iii) A scheme of assisting SSI units in obtaining performance and credit rating from reputed credit rating agencies has been introduced in April, 2005.

Under the Market Development Assistance (MDA) scheme for SSI exporters, direct financial assistance is provided to SSI units, which include :-

(i) reimbursement to individual exporters to the extent of 90 per cent of the cost of to-and-fro air fare for participation in international

trade fairs/exhibitions;

(ii) financial assistance of upto 25 per cent of the cost of production of overseas publicity material, limited to Rs. 15,000/- in a financial year;

(iii) financial assistance of upto Rs. 2 lakh for commissioning specific market studies and assistance to SSI Associations for initiating/contesting anti-dumping cases, limited to 50 per cent of total cost or Rs. one lakh, whichever is less; and

(iv) reimbursement of 75 per cent of one-time registration fee paid by SSI units for obtaining bar coding registration.